

DELHI CHARTER SCHOOL
Delhi, Louisiana

June 30, 2005

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 12-21-05

Audit of Financial Statements

June 30, 2005

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To the Board of Directors
Delhi Charter School
Delhi, Louisiana

Independent Auditors' Report

We have audited the accompanying statement of financial position of **DELHI CHARTER SCHOOL** (the School), a non-profit organization, as of June 30, 2005, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the School's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **DELHI CHARTER SCHOOL**, as of June 30, 2005, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was performed for the purpose of forming an opinion on the financial statements of **DELHI CHARTER SCHOOL**. The accompanying supplemental information is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied to the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued a report dated September 16, 2005, on our consideration of **DELHI CHARTER SCHOOL's** internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

A Professional Accounting Corporation

September 16, 2005

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**DELHI CHARTER SCHOOL
DELHI, LOUISIANA
STATEMENT OF FINANCIAL POSITION
June 30, 2005**

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 364,911
Grants Receivable	<u>269,546</u>
Total Current Assets	<u>634,457</u>

PROPERTY, PLANT AND EQUIPMENT

Land	93,000
Furniture and Equipment	265,259
Buildings and Improvements	2,011,581
Buses	49,863
Software	<u>44,800</u>

Total at Cost	2,464,503
Less: Accumulated Depreciation	<u>(255,837)</u>

Net Property, Plant and Equipment	<u>2,208,666</u>
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\$ 2,843,123

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accrued Expenses	<u>\$ 290,040</u>
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NET ASSETS

Unrestricted	<u>2,553,083</u>
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\$ 2,843,123

The accompanying notes are an integral part of these financial statements.

**DELHI CHARTER SCHOOL
DELHI, LOUISIANA
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2005**

	<u>Unrestricted</u>
Support and Revenue	
State Public School Funding	\$ 2,276,268
Other State Funding	65,529
Federal Sources	209,420
School Food Service Reimbursement	106,072
Donations	38,007
Other Income	<u>239,673</u>
 Total Support and Revenue	 <u>2,934,969</u>
 Expenses	
Instruction:	
Regular Education Programs	1,364,187
Special Education Programs	107,700
Other Instructional Programs	24,898
General Administration	29,200
School Administration	231,139
Business Services	94,602
Operation and Maintenance of Plant	191,563
Pupil Support	16,494
Pupil Transportation	86,760
Instructional Staff Services	23,514
Central Services	34,481
Food Service	261,595
Depreciation	134,689
Other Operating Expenses	<u>140,628</u>
 Total Expenses	 <u>2,741,450</u>
 CHANGE IN NET ASSETS	 193,519
 NET ASSETS, BEGINNING OF YEAR	 <u>2,359,564</u>
 NET ASSETS, END OF YEAR	 <u>\$ 2,553,083</u>

The accompanying notes are an integral part of these financial statements.

**DELHI CHARTER SCHOOL
DELHI, LOUISIANA
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2005**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ 193,519
Adjustments to Reconcile Change in Net Assets to	
Net Cash Provided by Operating Activities:	
Depreciation	134,689
Increase in Grants Receivable	(38,407)
Decrease in Accounts Payable	(6,436)
Increase in Accrued Expenses	<u>78,928</u>
Net Cash Provided by Operating Activities	<u>362,293</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Fixed Assets	(85,680)
Construction of Facilities	<u>(196,053)</u>
Net Cash Used in Investing Activities	<u>(281,733)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Repayments of Notes Payable Net of Proceeds	<u>(200,030)</u>
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NET DECREASE IN CASH AND CASH EQUIVALENTS (119,470)

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR 484,381

CASH AND CASH EQUIVALENTS, END OF YEAR \$ 364,911

The accompanying notes are an integral part of these financial statements.

**DELHI CHARTER SCHOOL
DELHI, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2005**

NOTE A

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DELHI CHARTER SCHOOL (the School) was created as a non-profit corporation under the laws of the State of Louisiana, on January 8, 2001. The School entered into a Charter School Contract with the Louisiana State Board of Elementary and Secondary Education beginning July 1, 2001, whereby the School would operate a Type II charter school as defined in LSA R.S. 17:3971, et. seq. The School serves eligible students in grades kindergarten through eleventh grade, primarily in the parish of Richland.

A summary of the School's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

FINANCIAL STATEMENT PRESENTATION

The School follows the guidance of Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the School is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. In addition, the School is required to present a statement of cash flows.

The School also follows the guidance of SFAS No. 116, Accounting for Contributions Received and Contributions Made, whereby contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the donor imposed time or purpose of restrictions.

BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported on the financial statements. The financial statements of the School are prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

REVENUES

The School's primary source of funding is through the State Public School Fund. The School receives \$6,119 per eligible student in attendance on October 1, payable in monthly installments. The October 1 student count is audited by the Louisiana Department of Education. Adjustments are made in the following year. State and federal grants are on a cost reimbursement basis. An accrual is made when eligible expenses are incurred.

FIXED ASSETS AND DEPRECIATION

Fixed assets are recorded at historical cost, or estimated historical cost, if historical cost is not available. Betterments, which naturally add to the value of related assets or materially extend the useful life of assets are capitalized. Normal building maintenance and minor equipment purchases are included as expenses of the School.

**DELHI CHARTER SCHOOL
DELHI, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2005**

NOTE A

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FIXED ASSETS AND DEPRECIATION (Continued)

Depreciation of fixed assets is calculated using the straight-line method over the estimated useful lives of the assets. Depreciation expense totaled \$134,689 for the year ended June 30, 2005. The following are the estimated useful lives of the fixed assets of the School:

	<u>Useful Lives</u>
Buildings	30
Portable School Building	5
Furniture and Equipment	5-7
Buses	5-10
Software	5

INCOME TAXES

The School is recognized by the Internal Revenue Service as a Section 501(c)(3) tax-exempt organization.

STATEMENT OF CASH FLOWS

For purposes of the statement of cash flows, the School considers all investments purchased with an original maturity of three months or less to be a cash equivalent.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CONCENTRATIONS

The School received 80% of its revenues, in the year ended June 30, 2005, from the State of Louisiana, subject to its charter agreement with the State.

Financial instruments that potentially subject the School to concentrations of credit risk consist of cash in excess of federally insured limits of \$428,689.

COMPENSATED ABSENCES

The Board of Directors of the School grants all contracted employees of the School a total of 10 days of sick pay per year, provided, however, that the employee is contracted for a full year. Sick leave may be accumulated from year to year, not to exceed 90 days. Upon retirement and/or death, an employee will be paid any unused sick pay not to exceed 25 days. At June 30, 2005, the School had accrued compensated absences of \$105,105, which is included in accrued expenses on the accompanying statement of financial position.

**DELHI CHARTER SCHOOL
DELHI, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2005**

NOTE B

CASH AND CASH EQUIVALENTS

As of June 30, 2005, cash consisted of demand deposits in local banks of \$364,911.

NOTE C

GRANTS RECEIVABLE

As of June 30, 2005, grants receivable consisted of amounts due from the following sources:

IASA Grants	
Title I	\$ 119,811
Title II	24,048
Title IV	2,440
Title VI	1,271
IDEA Grants	
Special Education	60,747
Preschool	1,103
State Grants	<u>60,126</u>
	<u>\$ 269,546</u>

NOTE D

INSURANCE COVERAGE

As of June 30, 2005, the School has the following insurance policies in effect:

<u>Type of Coverage</u>	<u>Expiration</u>	<u>Coverage Limits</u>
General Liability	August 16, 2005	Aggregate \$2,000,000 Each Occurrence \$1,000,000 Injury \$1,000,000
Automotive Liability	August 17, 2005	Combined \$1,000,000 Medical \$1,000 Uninsured Motorist \$100,000 Collision \$53,900
Professional Liability	August 20, 2005	Aggregate \$1,000,000 Deductible \$50,000
Property	August 16, 2005	Buildings \$2,388,000 90% Coinsurance
Workmen's Compensation	August 17, 2005	Statutory

**DELHI CHARTER SCHOOL
DELHI, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2005**

NOTE E

ANNUAL FINANCIAL REPORT RECONCILIATION

The School has submitted an Annual Financial Report to the Louisiana Department of Education for the year ended June 30, 2005. The following is a reconciliation between total expenses reported on the Annual Financial Report and total expenses presented in these financial statements:

Total Expenses per Annual Financial Report	\$ 2,877,251
Reconciling Items:	
Student Activities	140,628
Construction Expenses	38,091
Other	13
Capitalization of Fixed Assets	(281,733)
Depreciation of Fixed Assets	134,689
Principal Payments on Notes Payable	(210,030)
Change in Compensated Absences	<u>42,541</u>
Total Expenses	<u>\$ 2,741,450</u>

NOTE F

RETIREMENT PLANS

Substantially all employees of the School are members of the Teachers' Retirement System of Louisiana or the Louisiana School Employees' Retirement System. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to the plan follows:

TEACHERS' RETIREMENT SYSTEM OF LOUISIANA (TRS)

Plan Description: The TRS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit are required to become vested for retirement benefits, and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The TRS issues a publicly available financial report that includes financial statements and required supplementary information for the TRS. That report may be obtained by writing to the Teachers Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, LA 70804-9123.

Funding Policy: Plan members are required to contribute 8% of their annual covered salary. The School is required to contribute at an actuarially determined rate. The current rate is 15.5% of annual eligible covered payroll. Member contributions and employer contributions for the TRS are established by state law, and rates are established by the Public Retirement System's Actuarial Committee. The School's contribution to the plan for the year ended June 30, 2005, is \$183,664, which is equal to the required contribution for the year.

LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM (LSERS)

Plan Description: The LSERS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits, and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The LSERS issues a publicly available financial report that includes financial statements and required supplementary information for the LSERS. That report may be obtained in writing to the Louisiana School Employees' Retirement System, P.O. Box 44516, Baton Rouge, Louisiana 70804, or by calling (225) 925-6484.

**DELHI CHARTER SCHOOL
DELHI, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2005**

NOTE F

RETIREMENT PLANS (Continued)

LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM (LSERS) (Continued)

Funding Policy: Plan Members are required to contribute 7.5% of their annual covered salary. The School is required to contribute at an actuarially determined rate. The current rate is 14.8% of annual covered salary. Member contributions and employer contributions for the LSERS are established by state law, and rates are established by the Public Retirement Systems' Actuarial Committee. The School's contribution to the plan for the year ended June 30, 2005, is \$6,067, which is equal to the required contribution for the year.

NOTE G

FIXED ASSETS

Depreciation expense for the year ended June 30, 2005, is \$134,589.

All assets acquired with Department of Education funds are owned by the School while used in the purpose for which it was purchased. The Department of Education, however, has a reversionary interest in these assets. Should the charter not be renewed, title in any assets purchased with those funds will transfer to the appropriate agency.

NOTE H

SUPPLEMENTAL CASH FLOWS DISCLOSURE

During the year ended June 30, 2005, the School paid interest of \$1,271, which was expensed.



**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES
TO THE MANAGEMENT OF DELHI CHARTER SCHOOL**

To the Board of Directors
Delhi Charter School
Delhi, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of **DELHI CHARTER SCHOOL** and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of **DELHI CHARTER SCHOOL**, and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following accounts reported on the schedule:
 - Total General Fund Instructional Expenditures
 - Total General Fund Equipment Expenditures
 - Total Local Taxation Revenue
 - Total Local Earnings on Investment in Real Property
 - Total State Revenue in Lieu of Taxes
 - Nonpublic Textbook Revenue
 - Nonpublic Transportation Revenue

Findings:

None

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Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule, and to School supporting payroll records, as of October 1.
3. We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule.
4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, and as reported on the schedule. We traced each of the teachers to the individual's personnel file to determine if the individual's education level was properly classified on the schedule.

Findings:

None

Number and Type of Public Schools (Schedule 3)

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title 1 Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555) application.

Findings:

None

Experience of Public Principals and Full-time Classroom Teachers (Schedule 4)

6. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

Findings:

None

Public School Staff Data (Schedule 5)

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status, as well as full-time equivalent as reported on the schedule, and traced each to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule.

Findings:

None

8. We recalculated the average salaries and full-time equivalents reported in the schedule.

Findings:

None

Class Size Characteristics (Schedule 6)

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a random sample of 10 classes to the October 1 roll books for those classes and determined if the class was properly classified on the schedule.

Findings:

None

Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule 7)

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by **DELHI CHARTER SCHOOL**.

Findings:

None

The Graduation Exit Exam for the 21st Century (Schedule 8)

11. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by **DELHI CHARTER SCHOOL**.

Findings:

None

The IOWA Tests (Schedule 9)

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by **DELHI CHARTER SCHOOL**.

Findings:

None

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of **DELHI CHARTER SCHOOL**, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



A Professional Accounting Corporation

September 16, 2005

**DELHI CHARTER SCHOOL
DELHI, LOUISIANA
SCHEDULES REQUIRED BY LOUISIANA STATE LAW
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)
As of and for the Year Ended June 30, 2005**

Schedule 1 - General Fund Instructional and Support Expenditures and Certain Local Revenue Sources

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

Schedule 2 - Education Levels of Public School Staff

This schedule includes the certificated and uncertificated number and percentage of full-time classroom teachers and the number and percentage of principals and assistant principal's with less than a Bachelors; Bachelors; Masters; Masters +30; Specialist in Education; and Ph. D or Ed. D. degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 3 - Number and Type of Public Schools

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 4 - Experience of Public Principals and Full-time Classroom Teachers

This schedule includes the number of years of experience in teaching for assistant principals, principals, and full-time classroom teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 5 - Public School Staff Data

This schedule includes average classroom teachers' salary using full-time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 6 - Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students. This data is currently reported to the Legislature in the Annual School Report (ASR).

Schedule 7 - Louisiana Educational Assessment Program (LEAP) for the 21st Century

This schedule represents student performance testing data and includes summary scores by district for grades 4 and 8 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

**DELHI CHARTER SCHOOL
DELHI, LOUISIANA
SCHEDULES REQUIRED BY LOUISIANA STATE LAW
(R.S. 24:514 - PERFORMANCE AND STATISTICAL DATA)
As of and for the Year Ended June 30, 2005**

Schedule 8 - The Graduation Exit Exam for the 21st Century

This schedule represents student performance testing data and includes summary scores by district for grades 10 and 11 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic and Unsatisfactory. This schedule includes one year of data.

Schedule 9 - The IOWA Tests

This schedule represents student performance testing data and includes a summary score for grades 3, 5, 6, 7 and 9 for each district. The summary score reported is the National Percentile Rank showing relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. This schedule includes three years of data.

**DELHI CHARTER SCHOOL
DELHI, LOUISIANA
GENERAL FUND INSTRUCTIONAL AND SUPPORT EXPENDITURES
AND CERTAIN LOCAL REVENUE SOURCES
For the Year Ended June 30, 2005**

General Fund Instructional and Equipment Expenditures**General Fund Instructional Expenditures:****Teacher and Student Interaction Activities:**

Classroom Teacher Salaries	\$ 896,897
Other Instructional Staff Activities	30,967
Employee Benefits	286,953
Purchased Professional and Technical Services	12,156
Instructional Materials and Supplies	77,508
Instructional Equipment	<u>87,598</u>

Total Teacher and Student Interaction Activities **\$ 1,392,079**

Other Instructional Activities **8,341**

Pupil Support Activities **13,950**

Less: Equipment for Pupil Support Activities **-**

Net Pupil Support Activities **13,950**

Instructional Staff Services **19,391**

Less: Equipment for Instructional Staff Services **-**

Net Instructional Staff Services **19,391**

Total General Fund Instructional Expenditures **1,433,761**

Total General Fund Equipment Expenditures **\$ 171,129**

Certain Local Revenue Sources**Local Taxation Revenue:**

Constitutional Ad Valorem Taxes	\$ -
Renewable Ad Valorem Tax	-
Debt Service Ad Valorem Tax	-
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	-
Sales and Use Taxes	<u>-</u>
Total Local Taxation Revenue	<u>\$ -</u>

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	\$ -
Earnings from Other Real Property	<u>-</u>

Total Local Earnings on Investment in Real Property **\$ -**

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$ -
Revenue Sharing - Other Taxes	-
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	<u>-</u>

Total State Revenue in Lieu of Taxes **\$ -**

Nonpublic Textbook Revenue **\$ -**

Nonpublic Transportation Revenue **\$ -**

**DELHI CHARTER SCHOOL
DELHI, LOUISIANA
EDUCATION LEVELS OF PUBLIC SCHOOL STAFF
As of October 1, 2004**

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelors Degree								
Bachelors Degree	15	65.22%			2	100.00%		
Masters Degree	4	17.39%						
Masters Degree + 30	3	13.04%						
Specialist in Education	1	4.35%						
Ph. D. or Ed. D.								
Total	23	100.00%			2	100.00%		

Schedule 3

**DELHI CHARTER SCHOOL
DELHI, LOUISIANA
NUMBER AND TYPE OF PUBLIC SCHOOLS
For the Year Ended June 30, 2005**

Type	Number
Elementary	
Middle/Jr. High	
Secondary	
Combination	1
Total	1

Schedule 4

DELHI CHARTER SCHOOL
DELHI, LOUISIANA
EXPERIENCE OF PUBLIC PRINCIPALS AND FULL-TIME CLASSROOM TEACHERS
As of October 1, 2004

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals				1				1
Principals				1				1
Classroom Teachers	3	1	6	4	3	3	3	23
Total	3	1	6	6	3	3	3	25

Schedule 5

**DELHI CHARTER SCHOOL
DELHI, LOUISIANA
PUBLIC SCHOOL STAFF DATA
For the Year Ended June 30, 2005**

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teachers' Salary Including Extra Compensation	\$39,596.80	\$39,596.80
Average Classroom Teachers' Salary Excluding Extra Compensation	\$37,973.04	\$37,973.04
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	23.27	23.27

**DELHI CHARTER SCHOOL
DELHI, LOUISIANA
CLASS SIZE CHARACTERISTICS
As of October 1, 2004**

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	73%	8	27%	3	0%	0	0%	0
Elementary Activity Classes	33%	1	33%	1	34%	1	0%	0
Middle/Jr. High	24%	5	71%	15	5%	1	0%	0
Middle/Jr. High Activity Classes	40%	2	40%	2	20%	1	0%	0
High	58%	22	18%	7	24%	9	0%	0
High Activity Classes	100%	13	0%	0	0%	0	0%	0
Combination	0%	0	0%	0	0%	0	0%	0
Combination Activity Classes	0%	0	0%	0	0%	0	0%	0

**DELHI CHARTER SCHOOL
DELHI, LOUISIANA
LOUISIANA EDUCATIONAL ASSESSMENT PROGRAM (LEAP)
FOR THE 21ST CENTURY
For the Year Ended June 30, 2005**

District Achievement Level Results	English Language Arts						Mathematics					
	2005		2004		2003		2005		2004		2003	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	1	3%	0	0%	0	0%	1	3%	0	0%	0	0%
Proficient	10	25%	0	0%	1	5%	7	17%	0	0%	1	5%
Basic	18	46%	13	54%	11	58%	17	44%	10	42%	9	47%
Approaching Basic	5	13%	4	17%	4	21%	12	31%	7	29%	6	32%
Unsatisfactory	5	13%	7	29%	3	16%	2	5%	7	29%	3	16%
Total	39	100%	24	100%	19	100%	39	100%	24	100%	19	100%

District Achievement Level Results	Science						Social Studies					
	2005		2004		2003		2005		2004		2003	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	1	3%	0	0%	0	0%	0	0%	0	0%	0	0%
Proficient	13	35%	4	15%	1	4%	6	17%	2	8%	1	4%
Basic	15	42%	9	35%	9	38%	25	69%	15	57%	13	54%
Approaching Basic	6	17%	11	42%	14	58%	4	11%	7	27%	10	42%
Unsatisfactory	1	3%	2	8%	0	0%	1	3%	2	8%	0	0%
Total	36	100%	26	100%	24	100%	36	100%	26	100%	24	100%

**DELHI CHARTER SCHOOL
DELHI, LOUISIANA
THE GRADUATION EXIT EXAM
FOR THE 21ST CENTURY
For the Year Ended June 30, 2005**

District Achievement Level Results	English Language Arts						Mathematics					
	2005		2004		2003		2005		2004		2003	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced	0	0%	0	0%			1	4%	0	0%		
Proficient	6	25%	0	0%			2	8%	1	10%		
Basic	9	38%	8	80%			10	40%	3	30%		
Approaching Basic	8	33%	2	20%			6	24%	3	30%		
Unsatisfactory	1	4%	0	0%			6	24%	3	30%		
Total	24	100%	10	100%			25	100%	10	100%		

District Achievement Level Results	Science						Social Studies					
	2005		2004		2003		2005		2004		2003	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced	1	6%					0	0%				
Proficient	4	22%					2	11%				
Basic	8	44%					7	39%				
Approaching Basic	3	17%					7	39%				
Unsatisfactory	2	11%					2	11%				
Total	18	100%					18	100%				

Schedule 9

**DELHI CHARTER SCHOOL
DELHI, LOUISIANA
THE IOWA TESTS
For the Year Ended June 30, 2005**

	Composite		
	2005	2004	2003
Test of Basic Skills (ITBS)			
Grade 3	71	55	54
Grade 5	55	60	56
Grade 6	59	50	64
Grade 7	60	59	48
Tests of Educational Development (ITED)			
Grade 9	57	47	63

SUPPLEMENTAL INFORMATION

**DELHI CHARTER SCHOOL
DELHI, LOUISIANA
SCHEDULE OF BOARD OF DIRECTORS
June 30, 2005**

BOARD MEMBERS

COMPENSATION

Albert Christman, Chairman of Board
121 Cedar Lane
Delhi, LA 71232
318-878-9536

\$-0-

Eva Dawson
2305 Highway 17
Delhi, LA 71232
318-878-0905

\$-0-

Robert Johnson
401 Race Street
Delhi, LA 71232
318-878-9050

\$-0-

Dr. Dorothy Bradley
111 Missouri Street
Delhi, LA 71232
318-878-2520

\$-0-

Marilyn Loftin
Frankie Loftin Road
Delhi, LA 71232
318-878-3457

\$-0-

Joe Jones
P.O. Box 164
Delhi, LA 71232
318-878-3361

\$-0-

Dr. Corey G. Albritton
119 Greenwood Place
Delhi, LA 71232
318-878-7230

\$-0-



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Delhi Charter School
Delhi, Louisiana

We have audited the financial statements of **DELHI CHARTER SCHOOL** (a non-profit organization) as of and for the year ended June 30, 2005, and have issued our report thereon dated September 16, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered **DELHI CHARTER SCHOOL's** internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether **DELHI CHARTER SCHOOL's** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information of management, the Board of Directors, the Louisiana Legislative Auditor and the Louisiana Department of Education, and is not intended for, and should not be, used by other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

A handwritten signature in cursive script, reading "LaHite, Leht, Long & Neal".

A Professional Accounting Corporation

September 16, 2005